



## **Texas Department of Insurance**

### **Division of Workers' Compensation**

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

518-804-4000 telephone • 512-804-4811 fax • [www.tdi.texas.gov](http://www.tdi.texas.gov)

## **MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION**

### **GENERAL INFORMATION**

#### **Requestor Name and Address**

ALLIED MEDICAL CENTER  
PO BOX 24809  
HOUSTON TX 77029

#### **Respondent Name**

ACE AMERICAN INSURANCE CO

#### **Carrier's Austin Representative Box**

Box Number 15

#### **MFDR Tracking Number**

M4-11-4770-01

### **REQUESTOR'S POSITION SUMMARY**

**Requestor's Position Summary:** "Upon further review we are noting that per ODG guidelines the treating facility is allowed 6 standard E&M procedure, or office visits, prior to authorization. Our facility falls well within these guidelines."

**Amount in Dispute:** \$121.00

### **RESPONDENT'S POSITION SUMMARY**

**Respondent's Position Summary:** The respondent did not submit a response to this request for medical fee dispute resolution.

**Response Submitted by:** None

### **SUMMARY OF FINDINGS**

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
January 12, 2011	Office visit coded 99214	\$106.00	\$106.00
	Work Status report coded 99080-73	\$15.00	\$0.00
TOTAL		\$121.00	\$106.00

### **FINDINGS AND DECISION**

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

#### **Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.600, titled *Preauthorization, Concurrent Review, and Voluntary*

*Certification of Health Care*, effective May 2, 2006 sets out the procedures for health care providers to obtain preauthorization for specific healthcare services.

3. 28 Texas Administrative Code § 137.100 effective January 18, 2007, sets out the treatment guidelines.
4. Texas Labor Code §413.017 effective September 1, 2005, defines the presumption of reasonable medical treatment.
5. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets out the reimbursement guidelines for professional services.
6. 28 Texas Administrative Code §134.204, effective March 1, 2008, sets out medical fee guidelines for workers' compensation specific services.
7. 28 Texas Administrative Code §129.5, effective July 16, 2000, sets out the procedure for reporting and billing work status reports.
8. The services in dispute were reduced/denied by the respondent with the following reason codes:  
Explanation of benefits dated March 8, 2011
  - XA07-Payment disallowed: lack of authorization: no authorization given for service rendered.

### **Issues**

1. Did the respondent support position that preauthorization was required for the disputed services?
2. Is the requestor entitled to reimbursement for CPT code 99214?
3. Is the requestor entitled to reimbursement for CPT code 99080-73?

### **Findings**

1. The respondent denied reimbursement for CPT code 99214 and 99080-73 based upon EOB denial code "XA07-Payment disallowed: lack of authorization: no authorization given for service rendered."

28 Texas Administrative Code §134.600(p)(12), the non-emergency health care treatment that requires preauthorization is "treatments and services that exceed or are not addressed by the Commissioner's adopted treatment guidelines or protocols and are not contained in a treatment plan preauthorized by the carrier."

28 Texas Administrative Code § 137.100(e), states "An insurance carrier may retrospectively review, and if appropriate, deny payment for treatments and services not preauthorized under subsection (d) of this section when the insurance carrier asserts that health care provided within the Division treatment guidelines is not reasonably required. The assertion must be supported by documentation of evidence-based medicine that outweighs the presumption of reasonableness established by Labor Code §413.017.

The requestor states in the position summary that "Upon further review we are noting that per ODG guidelines the treating facility is allowed 6 standard E&M procedure, or office visits, prior to authorization. Our facility falls well within these guidelines."

The Division finds that the respondent did not submit documentation to support position that treatment was not reasonably required. The respondent did not submit evidence-based medicine that outweighs the presumption of reasonableness established by Labor Code §413.017. For these reasons, the respondent has not supported the EOB denial based upon "XA07."

2. CPT code 99214 is defined as "Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 key components: A detailed history; A detailed examination; Medical decision making of moderate complexity. Counseling and/or coordination of care with other providers or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate to high severity. Physicians typically spend 25 minutes face-to-face with the patient and/or family."
- Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division

conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

Review of Box 32 on the CMS-1500 the services were rendered in zip code 77090, which is located in Harris County.

The MAR for CPT code 99214 in Harris County is \$165.24 (WC Conv 54.54/Medicare Conversion 33.9764 X \$102.94 participating amount). The respondent paid \$0.00. The requestor is seeking reimbursement of \$106.00; this amount is recommended for reimbursement.

3. CPT code 99080-73 is defined as "Special reports such as insurance forms, more than the information conveyed in the usual medical communications or standard reporting form."

28 Texas Administrative Code §134.204 (l) states "The following shall apply to Work Status Reports. When billing for a Work Status Report that is not conducted as a part of the examinations outlined in subsections (i) and (j) of this section, refer to §129.5 of this title (relating to Work Status Reports)."

28 Texas Administrative Code §129.5(i)(1) states "Notwithstanding any other provision of this title, a doctor may bill for, and a carrier shall reimburse, filing a complete Work Status Report required under this section or for providing a subsequent copy of a Work Status Report which was previously filed because the carrier, its agent, or the employer through its carrier, asks for an extra copy. The amount of reimbursement shall be \$15. A doctor shall not bill in excess of \$15 and shall not bill or be entitled to reimbursement for a Work Status Report which is not reimbursable under this section. Doctors are not required to submit a copy of the report being billed for with the bill if the report was previously provided. Doctors billing for Work Status Reports as permitted by this section shall do so as follows: (1) CPT code "99080" with modifier "73" shall be used when the doctor is billing for a report required under subsections (d)(1), (d)(2), and (f) of this section."

28 Texas Administrative Code §129.5 (d)(1) and (2) states "The doctor shall file the Work Status Report:

- (1) after the initial examination of the employee, regardless of the employee's work status;
- (2) when the employee experiences a change in work status or a substantial change in activity restrictions."

The respondent submitted a copy of the work status report that was filed on January 12, 2011. The requestor states that the claimant's injury has prevented and still prevents the employee from returning to work. The Division attempted to obtain copies of the prior work status reports from the requestor, to support billing per 28 Texas Administrative Code §129.5 (d)(1) and (2). The requestor did not submit the requested information. As a result, the amount recommended for reimbursement is \$0.00.

### **Conclusion**

The Division would like to emphasize that individual medical fee dispute outcomes rely upon the evidence presented by the requestor and respondent during dispute resolution, and the thorough review and consideration of that evidence. After thorough review and consideration of all the evidence presented by the parties to this dispute, it is determined that the submitted documentation supports thereimbursement amount sought by the requestor for CPT code 99214. The Division concludes that the requestor failed to support its position that reimbursement is due for CPT code 99080-73. As a result, the amount ordered is \$106.00

### ***ORDER***

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$106.00 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

### **Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
2/27/2012  
Date

### ***YOUR RIGHT TO REQUEST AN APPEAL***

Either party to this medical fee dispute has a right to request an appeal. A request for hearing must be in writing and it must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party.**

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**